

CRAWFORD COUNTY FARM SERVICE AGENCY

County Committee: Don Davied, Chairperson Joe Murphy, Vice-Chairperson Larry Richard, Member Carolyn Michael, Advisor US Department of Agriculture Crawford County FSA Office 207 S. Summit, Girard, KS 66743 Ph: (620) 724-6227

FAX: (620) 724-6201 Office Hours: 8:00am-4:30pm **JULY 2006**

Judy A. Jacquinot County Executive Director

CROP REPORTS DUE

Acreage Reports are required for all farms that:



- Enroll in the DCP program
 - Request Price Support benefits (Loans or LDP)
 - Enroll in CRP
 - Produce a crop for a NAP benefit

All cropland on the farm must be reported to receive benefits. Conservation Reserve Program (CRP) acreage must be reported to receive annual payments. Crop acreage for which Non-insured crop disaster assistance (Nap) coverage must also be reported.

<u>August 1, 2006</u> is the deadline for corn, sorghum, soybeans, CRP, oilseeds, FAV and NAP crops.

CRP COMPLIANCE REVIEWS



FSA is conducting compliance reviews on Conservation Reserve Program (CRP) participants. Compliance reviews are conducted to determine:

• Presence of noxious weeds including Johnsongrass, Musk

Thistle, and Sericea Lespedeza.

- Presence of other undesirable weeds, plants (including cedar and other trees), insects, and pests.
- **Proper maintenance** of approved cover including adequate fertilization and preventing haying, grazing, or other unauthorized use of CRP acres.
- **Required management** activities according to the conservation plan are being performed.

Each field under a CRP contract will be inspected to determine whether compliance requirements are met. If discrepancies are found the participant will be notified and the county committee will determine whether the producer acted in good faith to comply with program requirements. If good faith is determined a standard payment reduction will be applied to the acres in violation and the producer must apply recommended practices to return the violated acreage to compliance standards. If good faith is not determined the violated acres will be terminated from contract and the participant shall be subject to refund of all annual payments earned for the violated acreage as well as interest and liquidated damages.

LOAN DEFICIENCY PAYMENTS (LDP)

Each crop year, numerous producers fail to submit an applicable Loan Deficiency Payment (LDP) request for program benefits before beneficial interest is lost in the commodity. In an effort to simplify the LDP program, a new form, CCC-633EZ, is available. The new form allows producers to indicate intentions to receive LDP benefits **before** loss of beneficial interest and allows producers to submit an LDP request for payment at any time during the LDP availability period (before or after losing beneficial interest). A signed form CCC-633EZ, page 1, must be on file in the county office before losing beneficial interest in the commodity.

Report Changes in Farming Operation

Producers are reminded that any ownership or operator changes, share changes, etc., that affect 2006 DCP contracts should be reported to FSA offices immediately. The owner should bring in a copy of the deed to verify the change in ownership. It is the producer's responsibility to notify FSA of these changes. Reconstitution requests must be made by August 1, 2006.

COMMODITY LOANS

Nine-month commodity loans may be obtained by placing the eligible commodity in approved:

- Farm storage, either requesting a measurement service or certifying the loan quantity on form CCC-666
- Warehouse storage, obtain a loan on 100% of the net quantity

The county loan rate for 2006 wheat is \$2.82 for hard and \$2.55 for soft wheat.

2006 COUNTY COMMITTEE ELECTION



The election of agricultural producers to Farm Service Agency (FSA) county committees is important to all farmers and ranchers with large or small operations. It is crucial that every eligible producer participate in these

elections because FSA county committees are a direct link between the agricultural community and the U.S. Department of Agriculture. Committee members are a critical component of the operations of FSA. They help deliver FSA farm programs at the local level. Farmers who serve on committees help with the decisions necessary to administer the programs their counties offer. They work to make FSA agricultural programs serve the needs of local producers.

FSA FARM LOANS



USDA's Farm Service Agency (FSA) makes and guarantees loans to farm operators. These may be made to beginning farmers or established farmers. Special funding is set

aside for females and members of certain minority groups. Loans are tailored to a producer's needs and may be used to buy farmland, machinery, livestock, or finance agricultural production.

FSA offers several types of loan programs. Under the Guaranteed Loan Program, FSA guarantees loans made by conventional agricultural lenders. All loans must meet certain qualifying criteria to be eligible for guarantees. Farmers interested in Guaranteed Loans apply directly with a conventional lender who then arranges for the guarantee.

FSA additionally offers Direct Loans. To qualify for a Direct Farm Ownership or Operating Loan, the applicant must have sufficient repayment ability and loan collateral. Loans may be considered for up to 100% of security value. Funding is limited, so it is suggested that inquiries be made as soon as an applicant's credit needs are identified. To apply for a direct loan, contact the FSA Farm Loan Staff in Girard at (620) 724-6227, Ext 229.

FSA WEB SITE

Web sites available include the FSA web site at: www.fsa.usda.gov, the USDA web site at www.usda.gov. and the Kansas FSA web site at www.fsa.usda.gov/ks Loan rates: www.fsa.usda.gov/dafp/psd/loanrate.htm

CONSERVATION RESERVE PROGRAM

The CRP Continuous Signup offers rental payments and incentive payments for small acreage. Some of the practices include riparian buffers, shelter belts, waterways, filter strips, grassed terraces, shallow water areas and field windbreaks. Contracts are for no less than 10 nor more than 15 years in duration. Maximum rental rates are calculated in advance of enrollment. Eligible land must have been cropped 4 out of 6 years (1996-2001).

FOREIGN INVESTORS RULE

Foreign owners of U.S. agricultural land are required by law to report their land holdings, acquisitions, leases of 10 years or more and land use changes within 90 days to the local FSA office. Failure to report can result in a civil penalty of up to 25 percent of the fair market value of their interest in the agricultural land. To complete the filing requirement, persons may obtain an AFIDA report form (FSA-153) from the local FSA County Office.

FARM STORAGE FACILITY LOANS

Low cost financing may be provided for producers to build or upgrade farm storage and handling facilities. The term of the loan will be seven years. The loan amount will be 85% of the cost with a 15% down payment. There is a \$45.00 non-refundable application fee. The interest rate is equivalent to the rate charged on U.S. Treasury securities. The July interest rate is 5.0%.